

DIRECTORATE OF INTELLIGENCE

# Central Intelligence Bulletin

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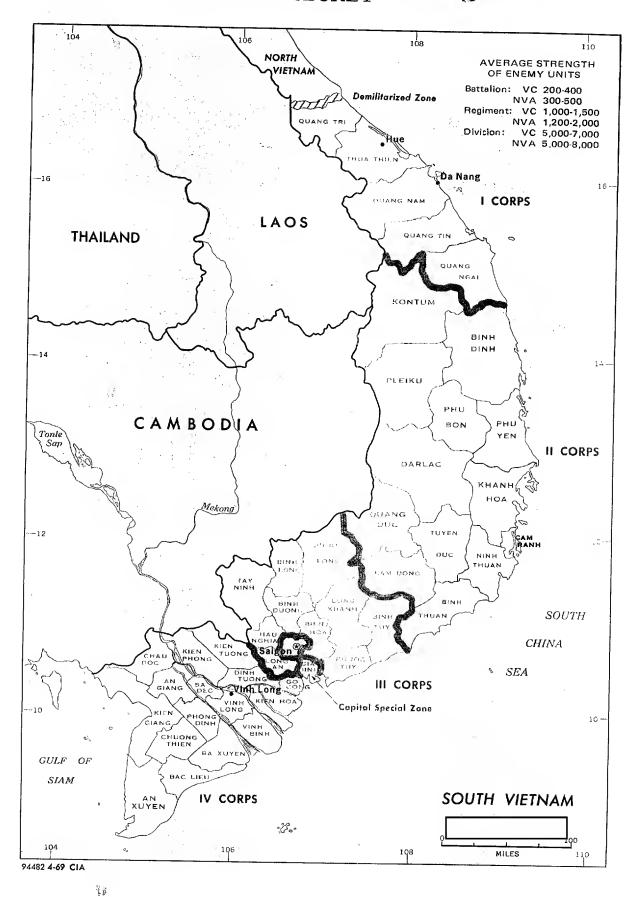
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South Vietnam: Enemy ground action was light over the weekend, but the Communists maintained a steady pace of rocket and mortar attacks in the southern half of South Vietnam.

Unlike the most recent "high point" of shellings noted in this sector on the night of 10-11
April, the weekend bombardments were directed
largely against allied military targets rather than
civilian-inhabited provincial and district towns
and resulted in far lighter casualties and damage.
The Viet Cong continued to apply intermittent pressure in the area around Vinh Long city in the delta,
but the major capitals of Saigon, Hue, and Da Nang
were free of any significant enemy initiatives.

Czechoslovakia-USSR: The Dubcek regime may be preparing to announce additional concessions to Moscow this week, a move that could generate new civil disturbances.

On 12 April the Czechoslovak Government retracted--"in view of changed circumstances"--an announcement that more Soviet troops would enter the country. The reasons for the retraction are unknown, but one possible explanation is that Moscow had given Dubcek a choice between strict and immediate compliance with its demands or a more pervasive occupation, and that the Czechoslovaks decided to fulfill the requirements.

The Russians are said to have insisted that the Czechoslovaks reduce the size of the party's ruling body, the presidium, which is presently dominated by progressives and moderates who support Dubcek. This demand, and Slovak party boss Husak's strong attack by implication on Dubcek and his colleagues on 11 April, suggest that personnel changes in the higher party echelons are on the agenda of a central committee plenum which begins on 17 April.

Husak, a "realist" who aligned himself with the leadership during the recent crisis over anti-Soviet demonstrations, also hinted that the party would no longer temporize, but would reassert its authority and control the situation. The Soviet news agency, TASS, reported Husak's remarks in detail, which reflects Moscow's satisfaction with the position Husak has taken in criticizing the leadership.

Meanwhile, the workers, students, and other groups are attempting to pressure Czechoslovak leaders to refrain from caving in to the Russians. The trade unions have reaffirmed their support for progressive policies, including freedom of the press. Some youth groups are said to be threatening again to strike if any popular leaders are removed from the party hierarchy.

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There has been

little Soviet ground forces activity in Czechoslovakia or adjacent Warsaw Pact countries during the
past week.

Reuters reported yesterday that the Czechoslovak Defense Ministry has announced that Warsaw Pact
antiaircraft exercises would take place between
14-16 April in Czechoslovakia, Poland, Hungary, and
the USSR. The exercises reportedly are to be commanded by Marshal Batitsky, the Pact's antiaircraft
defense commander. The air defense exercise is
probably a scheduled Pact exercise and is probably
not intended to serve as a pretext to move additional Soviet troops into the country.

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West Germany: A high Foreign Ministry official has expressed what may be a growing concern	
in Bonn over French aims in Western Europe.	
remarked confidentially on 11 April that De Gaulle is playing old-fashioned intra-European power politics in order to establish French primacy. said that De Gaulle's current tactic, in recognition of the impossibility of holding out forever against UK entry into the European Communities, is to propose a kind of French - British - West German - Italian	25X1
consortium for directing Europe, with France playing the leading role. the gulf between De Gaulle's ideas on Europe and those of other Western European governments, which support integration within the framework of the Communities.	25X1
seemed apprehensive that De Gaulle might be able to obtain US and UK acquiescence in his efforts. He alluded to the concern felt in Bonn prior to President Nixon's European tour that the President would, in the interest of improving US-French relations, endorse De Gaulle's ideas on Europe.	
made clear that Bonn does not favor London's pursuing a dialogue with Paris as origin- ally proposed by De Gaulle. He contradicted the recent claim of one high British official that the Germans have been encouraging the British to do so.	

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USSR-ENDC: Russia appears ready to reach early agreement with the US on new members for the Eighteen Nation Disarmament Committee (ENDC).

Soviet Ambassador Roshchin in Geneva has asked for a meeting with his US counterpart today to deal with the enlargement question. Roshchin said he saw considerable advantage in settling the issue during the session now in progress so that the new members could attend when the session is resumed after a recess in May.

The US has tried since last summer to put together a package proposal that would admit the Japanese to membership and, at the same time, preserve a balance of East, West, and nonaligned that would be acceptable to the Soviets. West Germany's recently expressed willingness to defer its candidacy will remove a major stumbling block. Moscow will have no difficulty accepting the Netherlands, the NATO nation most likely to be proposed in place of Bonn.

The US and USSR, cochairmen of the ENDC, already have agreed to admit Hungary, Mongolia, Argentina and Tunisia, in addition to Japan. Once the NATO candidate is accepted, then the only remaining obstacle will be Soviet agreement on membership for Pakistan and Yugoslavia.

Portugal: Prime Minister Caetano's week-long visit to Portuguese Guinea, Angola, and Mozambique beginning today emphasizes his intention to maintain Portugal's presence in Africa.

Insurgency continues in some sections of the three territories, particularly in Portuguese Guinea, but it does not affect the areas Caetano is visiting. The Portuguese believe that they made a breakthrough in their fight against the insurgents when an important tribal chief defected to them in Mozambique last month. They have scored substantial but less spectacular successes in Angola.

Peru: President Velasco, straining to portray the deferral of US sanctions against his government as a Peruvian victory, is basing his claim on unrealistic hopes for fairly large-scale resumption of badly needed foreign credits.

Potential foreign lenders are reluctant to move ahead. Their confidence in Peruvian financial management has been shaken by recent wholesale dismissals of competent personnel from the Peruvian Central Bank. Also, last week Velasco's finance minister announced inflationary budgetary plans which are not likely to be in accord with standby commitments with the International Monetary Fund.

The influential, ultranationalistic Lima newspaper El Comercio, meanwhile, has called for a delay in dispatch to the US of the promised Peruvian delegation that is to discuss outstanding US-Peruvian issues. The delegation should not be sent, said the paper, until "it is clearly demonstrated" that lines of US public and private credit and loans by "international institutions under the influence of the US" have been "re-established."

Jamaica: The opposition People's National Party (PNP) is demonstrating increased vigor under its new leader, Michael Manley.

Early this month Manley, who succeeded his father as party chief in February, announced the formation of a shadow cabinet "designed to reflect the aims and goals of a PNP government." There are 16 ministries in all, the three most important of which--External Affairs, Defense, and Labor--are held by Manley himself.

Manley has also allocated to his top party lieutenants new responsibilities for organizing popular support. This move is in line with Manley's expressed interest in encouraging collective leadership in contrast to the traditional one-man rule of Caribbean political leaders.

There is evidence that public support may be shifting to the PNP. In recent elections for local officials throughout the country, the PNP led the incumbent Jamaica Labor Party in popular votes for the first time since 1959.

Although Prime Minister Shearer is not scheduled to face the voters again until 1972, elections might be called earlier if incipient divisions within his own party should result in defections from the government ranks. Disillusionment with Shearer's inability to cope with serious crime and social unrest is already growing and could erode his support.

#### NOTES

Communist China: Peking still remains silent about deliberations at the long-heralded ninth party congress. A few tentative signs suggest that the congress may have been due to conclude its work last weekend, but the session is still going on. It is possible that developments at the congress are not following a prearranged scenario.

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South Korea: President Pak Chong-hui's appointment of a new education minister Friday has avoided a confrontation with the National Assembly, which earlier in the week had censured the incumbent minister. Pak now must move to repair the breach in government party discipline that allowed the unprecedented censure motion to pass. Indications are that Pak, despite his considerable ire over the incident, will be moderate in dealing with the party problem, possibly expelling only the ringleaders among the defectors.

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Italy: A parliamentary inquiry into the daylong battle between police and demonstrators on 9 April in Battipaglia, a small town south of Naples, poses a new test for Premier Rumor's four-month-old government this week. Communists and Proletarian Socialists blame the police for the violence and insist they should be disarmed. The government and non-Communist labor circles, on the other hand, tend to blame extremists from outside Battipaglia for turning a workers' protest into a riot. The three-hour nationwide strike called on 11 April to show sympathy for the demonstrators was accompanied by limited violence but did not get enthusiastic support.

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